

Agency Activity Inventory
by Agency
Appropriation Period: FY 2004-05

Agency: R23 - Board of Financial Institutions

Functional Group: Regulatory

1347 Bank Examining

As required by Sections 34-3-320 and 34-26-240 of the Code of Laws of South Carolina, the agency performs safety and soundness examinations of banks, savings and loan associations, savings banks, credit unions, and trust companies. As required by Section 32-7-70, the agency also examines funeral homes to ensure compliance with preneed statute. In compliance with Section 34-1-80, the Board examines the Business Development Corporation of South Carolina and Business Carolina, Inc. The agency evaluates and considers applications of banks, savings and loan associations, savings banks, credit unions, and trust companies for the following: new charters, new branches, holding company acquisitions, mergers, branch purchases and assumption of liabilities, property purchases, office closings and relocations, formation or acquisition of subsidiaries, and trust powers. The agency evaluates and considers requests of funeral homes for licenses to sell preneed funeral contracts.

FY 2004-05					
Total	General Funds	Federal Funds	FM	Other Funds	FTEs
\$1,897,780	\$0	\$0	No	\$1,897,780	25.00

Expected Results:

The agency will preserve a sound State chartered financial community and protect the borrowing public by ensuring that the state laws and regulations are followed and that financial institutions are operated in a safe and sound manner. All institutions will be examined in the required timeframe. Applications will be considered at the first Board meeting after receipt of a completed application by the Office of the Commissioner of Banking.

Outcome Measures:

In over 30 years, there have been only 3 failures of institutions regulated by the Office of the Commissioner of Banking. All institutions were examined within the timeframes required by law. Number of examinations: 2001 - 301, 2002 - 291, 2003 - 282. During Fiscal Year 2003-2004, all applications were considered at the first Board meeting after a completed application was received. Number of applications processed: 2001 - 40, 2002 - 49, 2003 - 55.

Agency: R23 - Board of Financial Institutions

Functional Group: Regulatory

1348 Consumer Finance

The Consumer Finance Division evaluates new applications for consumer finance companies, deferred presentment services, and check cashing companies. The applications are then presented to the Board for approval. Consumer Finance Division also conducts licensing and annual renewal of consumer finance companies, deferred presentment services, and check cashing companies. (See 34-39-150, 34-41-40, 34-29-30, and 37-3-503) The Consumer Finance Division performs compliance examinations of consumer finance companies, deferred presentment services, and check cashing companies. (See 34-39-190, 34-41-70, 34-29-90, and 37-3-506) The Consumer Finance Division conducts various types of supervisory and enforcement activities to detect and take corrective action for violations of the regulatory statutes applicable to financial institutions. Activities include: complaint processing, investigation, and appropriate action against consumer loan companies, deferred presentment services, and check cashing companies.

**Agency Activity Inventory
by Agency
Appropriation Period: FY 2004-05**

FY 2004-05					
Total	General Funds	Federal Funds	FM	Other Funds	FTEs
\$1,121,342	\$0	\$0	No	\$1,121,342	17.00

Expected Results:

Respond to new applications within 30 days from receipt of completed application. Ensure that only applicants who meet minimum qualifications are licensed. Examine all applications for financial integrity (review bank/financial statements, perform credit checks, criminal background checks, and field investigations), before presentation to the Board. Improve the economic vitality of businesses and individuals. Examine all financial institutions within the statutory time period. Promote a healthy business climate by ensuring that licensees remain in compliance, while protecting the consumers of South Carolina. Process and complete complaints within 30 days of receipt. Promote voluntary resolution of consumer complaints with licensees. Re-examine licensees, if necessary, within 60 days to ensure corrective action and to determine whether additional action may be warranted. Provide educational seminars and other technical assistance to ensure compliance.

Outcome Measures:

Percentage of applications received and processed within 30 days: FY 01 - 90%, FY 02 - 95%, FY 03 - 98%. Number of licenses issued: FY 01 - 455, FY 02 - 431, FY 03 - 513. Percentage of examinations performed, as required by law: FY 01 - 100%, FY 02 - 100%, FY 03 - 100%. Percentage of complaints received and completed within 30 days: FY 01 - 85, FY 02 - 87, FY 03 - 90. Percentage of examinations requiring corrective action: FY 01 - 15%, FY 02- 12%, FY 03- 9%.

AGENCY TOTALS

Board of Financial Institutions

TOTAL AGENCY FUNDS	TOTAL GENERAL FUNDS	TOTAL FEDERAL FUNDS	TOTAL OTHER FUNDS	TOTAL FTEs
\$3,019,122	\$0	\$0	\$3,019,122	42.00